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April 20, 2009

VIA ELECTRONIC-DELIVERY

Charles L.A. Terreni, Esquire
Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

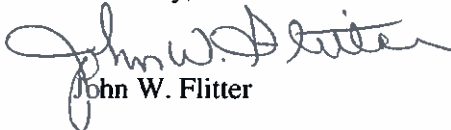
Re: South Carolina Electric and Gas Company ("SCE&G" or "the Company") – Request to Transfer Real Property to the City of Charleston and Request for Waiver of Bid Requirement
Docket No. 2009-154-E

Dear Mr. Terreni,

The purpose of this letter is to inform the Public Service Commission ("Commission") that the Office of Regulatory Staff ("ORS") has reviewed the above referenced filing and based on this review and the following information we have no objection to SCE&G's request. The request is to allow the transfer of real property to the City of Charleston ("City") by way of entering into 1) a ground lease agreement and 2) a purchase and sale agreement for approximately 2.439 acres located within the City limits. The Company is requesting the Commission waive the bid process as set forth in Order No. 92-931 due to the uniqueness of this transaction. The Company has no future or current use for this property and intends to lease and ultimately sell this acreage to the City. The property is currently a vacant lot which was once used as an electric operations center serving the City and surrounding areas. The Company indicates the property is intended to be used as a preparatory school for underserved children in the Charleston area. The property is classified as utility property. The property will be sold for at least market value as reflected in the most recent appraisal. The gain realized from this transaction will be recorded by the Company according to the FERC Uniform System of Accounts in Account 421.1 entitled "Gain on Disposition of Property".

Thank you for the opportunity to provide our comments in this matter.

Sincerely,



John W. Flitter

JWF/wh

cc: Dan F. Arnett, Chief of Staff, SC ORS
Nanette S. Edwards, Chief Counsel and Director of Legal Services, SC ORS
Shannon Bowyer Hudson, Counsel, SC ORS
K. Chad Burgess, Senior Counsel – South Carolina Electric & Gas Company